THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN); (a) As per the existing locational policy guidelines, the isafc of fresh industrial licences in the spinning sector, are in the ordinary course restricted to category 'A' backward areas. However, in those States where there are no such areas, fresh licences may be considered in category 'B' backward areas also. While the above restrictions would normally apply to projects in the cooperative spinning sector also, such cases are to be considered on the merits of each case after taking into account the requirement of yarn by the handloom weavers, production of cotton in the area and the existing spinning capacity in the State concerned.

(b) and (c) There are no proposals for the grant of an industrial licence for the setting up of new cooperative spinning mills in Maharashtra State pending with Government.

Calcutta High Court judgement on thePeerless General Finance and Investment Company Limited

1112. SHRI S. W. DHABE:
SHRI GHULAM RASOOL MATTO:
SHRI PARVATHANENI UPENDRA:
CHOWDHARY RAM SEWAK:

Will the Minister of FINANCE be pleased to state;

(a) whether it is a fact that the Calcutta High Court has, in a judgement delivered on March 14, 1986, ruled that as the business activities conducted by the Peerless General Finance and Investment Company Limited attracted the provision of the Prize Chit and Money (Civilian) Banning Act, 1978, the Company should discontinue its business and submit to Government winding up plans;

(b) if so, whether the closure of the Company would lead to the loss of jobs by a large number of employees a' present working in the Company; and

(c) if the answer to part (b) above be in the affirmative, whether Government are contemplating to take over the Company to protect the interests of the workers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) i_0 (c) A single judge of the Calcutta High Court in a judgement delivered on 14th March, 1986 in respect of a petition filed by M/s Peerless General Finance and Investment *Co.* Ltd. ha_s held that the activities of the Company fall squarely within the jurisdiction of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978. The Company had filed an appeal before a Division Bench of the Calcutta High Court against the above judgement.

A large number of representations have been received from employees, field agents etc. mentioning that closure of the Company would lead to the loss of jot* and that the Company may be nationalised. The matter is under consideration of the Government.

1113. *[Transferred to the 9th May,* 1986].

Deaths due *to root* collapse of Tami Nadu Mercantile Bank

1114. SHRI V GOPALSAMY; WU th_e Minister of FINANCE be pleased t(state;

(a) whether it is a fact that the of Tamil Nadu Mercantile Bant at Tuti corin had collapsed recently;

(b) if so, what are the details there indicating the number of persons killed injured;

(c) whether any inquiry has been of dered into the matter; and

(d) whether any compensation has bee paid by the bank to the next of kin t victims killed/injured; if so, what are tt details thereof and if no*. ^{WQ}at are tl reasons therefor?